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Market Research for Starting a Wine Consultancy Company in Finland



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Market Research for Starting a Wine Consultancy Company in Finland

This thesis evaluates the need for and interest in a future wine consultancy company and its services in Finnish restaurants that serve wine with food but do not have a sommelier. Recently, people in Finland have been drinking less spirits and more wine and beer. There are more wine bars and wines on the restaurant menus. Since wine is not originally part of Finnish culture, it does not come naturally to Finns to have wine knowledge. Even people working in the hospitality sector seem to have little of it.

The proposed hypothesis was that restaurant owners, managers, and workers are not confident in their knowledge of wine. Since there is no literature or secondary data about this in Finland, market research is conducted by interviewing people responsible for the wine selection in four restaurants in Finland. One restaurant was chosen in Turku, Tampere, Helsinki, and Lapland.

The interviews were divided into four sections: background information about the interviewee and the selection of wines, wine importers, wine knowledge of the servers, and evaluation of the need for and interest in the wine consultancy company. The data derived from the interviews were conclusive. The hypothesis was correct, and there is a market for the wine consultancy company and its services. The restaurant managers and owners saw the added value of having a wine professional assist with wine list building, wine education for staff and holding wine tastings for customers.

Keywords:

wine consultancy, wine list building, wine tastings, wine education, wine culture

Opinnäytetyö AMK | tiivistelmä

Turun ammattikorkeakoulu

Tradenomi, kansainvälinen liiketalous

2024 | 41 sivua

Anna Kiuru

Markkinatutkimus viinikonsultointiyrityksen perustamiseksi Suomeen

Opinnäytetyössä arvioidaan tulevaisuuden viinikonsulttiyrityksen ja sen palvelujen tarvetta ja kiinnostusta suomalaisissa ravintoloissa, jotka tarjoilevat viiniä ruoan kanssa, mutta joilla ei ole sommelieriä töissä. Viime vuosina suomalaiset ovat juoneet vähemmän väkeviä alkoholijuomia ja enemmän viiniä ja olutta. Ravintoloiden listoilla on enemmän viinejä ja viinibaareja avataan enemmän kuin ennen. Koska viini ei ole alun perin osa suomalaista kulttuuria, viinitieto ei ole suomalaisille luontevaa. Jopa ravintola-alalla työskentelevillä ihmisillä näyttää olevan vähän sitä.

Ehdotettu hypoteesi oli, että ravintoloiden omistajat, ravintolapäälliköt ja työntekijät eivät luota tietämykseensä viinistä. Koska aiheesta ei ole kirjallisuutta tai tutkimuksia ennestään Suomessa, markkinatutkimus tehdään haastattelemalla viinivalikoimasta vastaavia henkilöitä neljässä ravintolassa Suomessa. Yksi ravintola valittiin Turussa, Tampereella, Helsingissä ja Lapissa.

Haastattelut jaettiin neljään osaan: taustatietoa haastateltavasta ja viinien valinnasta, viinien maahantuojat, työntekijöiden viinituntemus sekä viinikonsulttiyrityksen tarpeen ja kiinnostuksen arviointi. Haastatteluista saadut tiedot olivat mitä oletettiin. Hypoteesi piti paikkansa ja viinikonsulttiyritykselle ja sen palveluille on kysyntää. Ravintolapäälliköt ja omistajat näkivät lisäarvon siinä, että viiniammattilainen avustaa viinilistan rakentamisessa, henkilökunnan viinikoulutuksessa ja viinimaisteluiden järjestämisessä asiakkaille.

Asiasanat:

viinikonsultit, viinilistan rakentaminen, viinimaistelut, viinikoulutus, viinikulttuuri

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List of abbreviations

AVI	Regional State Administrative Agency
HoReCa	Hotel, Restaurant, and Café/ Catering
THL	Finnish Institute for Health and Welfare
WSET	Wine and Spirit Education Trust

1 Introduction

This thesis aims to perform a market research on Finnish restaurants that serve wine with food and do not have a wine professional, such as a sommelier. The research will help the author and her friend, Mr Paakkola, start a wine consultancy company.

1.1 Background

The author has been working with Mr Paakkola for several years. Mr Paakkola owns a wine bar in Turku called Vinho, and he recently opened another wine bar in Tampere called Vinni. The author worked in Vinho since the beginning as a sommelier, and now she additionally works in Vinni. As time passed, she took on more responsibilities and work tasks. Now, she works as a Wine Director, Sommelier, and Wine Educator in these wine bars. During these three years working for Vinho, she earned a well-appreciated Wine Diploma from Wine and Spirit Education Trust (Wine and Spirit Education Trust, 2023), and she is about to finish her bachelor's in business administration in International Business with Turku University of Applied Sciences. Mr Paakkola, this time, has made Vinho and its wine list well-known. The wine list has won several awards for being the best in Finland and even a silver award internationally in 2022 from Star Wine List in the category of best by the glass wine list (Star Wine List, 2023). Famous sommelier Jurgen Lijcops (2023) mentioned Vinho in his updated version of the "150 Wine Bars You Need to Visit Before You Die"- book.

Vinho and Vinni are the leading wine bars in Finland with the most extensive wine lists by glass, with Vinho offering more than 100 wines and Vinni more than 30 wines by the glass (Vinho, 2023; Vinni, 2023). Because the idea behind the wine lists in the previously mentioned wine bars is to have a varied and broad selection of wine countries and grape varieties with a competitive price and quality ratio, Mr Paakkola and the author have worked with most wine importers in Finland. Thanks to this, they are familiar with the wine selection

Finnish wine importers are working with. They attend numerous wine importer portfolio tastings to stay up to date on any new portfolio additions.

1.2 The phenomenon

With this cumulated knowledge and experience, Mr Paakkola and the author started experiencing a common dining phenomenon in countless restaurants in Finland. Plenty of restaurants offer wines that do not match the food menu or that the wine selection is plain, dull, and too generic. Another phenomenon that Mr Paakkola, and the author, and many of their friends have encountered in restaurants is that the staff do not seem confident selling the wines on the wine lists. Based on this experience, the proposed hypothesis is that restaurant owners, managers, and workers are not confident in their knowledge of wine. The ones responsible for choosing the wines in the restaurant might take the wine selection from one importing company and trust their suggestions, which means that they are limited to the specific offering and bias of only this importing company. They save time by ordering all their products from the same importer or a wholesaler. So, it is expected that wines are just a side product in these importer's portfolios and that the portfolio is more concentrated on other products like other alcoholic beverages, for example.

Considering this problem, Mr. Paakkola envisioned starting a wine consultancy company and asked the author to be a partner. The mission of the consultancy company would be to advise these restaurants to select better wines on their wine lists and provide their clients with wine options that better suit their menus. Since Mr Paakkola and the author know the selection of most of the wine importers, they could help them grow the sales of the wines and make better gross margins. They could offer staff education, making the staff feel more comfortable selling and recommending wines to customers. Wine tastings for customers could also be offered.

There is not much previous literature on this subject in Finland. Similar services are only offered by some. By having a competitive advantage, expert

knowledge, and international recognition, this wine consulting company could fill in the gap in the industry that restaurants and their managers and workers need. Few companies and wine professionals offer similar consultancy services, wine tastings and wine education and could be potential competitors. They will be discussed in more depth in the next chapter.

1.3 Research objective, research questions and scope

The thesis' objective is to conduct market research in food restaurants in Finland that serve wine to find out if there is a need and an interest in wine consulting services. Since not all food restaurants want or can afford a sommelier full time to look after their wine selection, the consultancy company can bring value to them by offering outsourced sommelier services to help with the most essential wine-related issues. Wine with food seems to become more popular in Finland, but restaurant owners, managers and workers do not keep up with the wine knowledge (Figure 1).

Research questions that are going to help to achieve the objective are:

1. How do restaurants acquire wines on their wine lists?
2. How much do restaurant owners and managers value a relevant wine list that appeals to the customers and has better gross margins?
3. How important is it to have wine-educated staff and better sales of the wines?

The thesis aims to test the hypothesis that restaurant owners, managers, and workers are not confident with their wine knowledge and do not fully exploit the wine-selling potential their restaurant could offer. The task is to find a sample of these restaurants that would show interest in developing their wine sales. Are they interested in better-quality wines that suit their menu better and are more appealing to the customers? Are they aware of the importance of staff education on wines for customer satisfaction? Or could they make better gross

margins on wine sales by having the right products from the right wine importers?

The sample of the restaurants to interview was chosen best to fit the potential customer group for the consultancy company. The author identified restaurants in Finland that sell food and wine and have sales from half a million to two million euros annually. Restaurants that are part of any bigger restaurant chain were excluded. In addition, there could not be a sommelier in the restaurant. The author selected one restaurant in three big cities in Finland: Turku, Tampere, and Helsinki. In addition, one restaurant was chosen from Lapland to have samples that are as varied as possible. A person responsible for choosing the wines on the wine list was interviewed in each area.

Wine bars that sell small tapas type of food are outside the scope of the samples. Any other restaurants in other cities or areas in Finland are separate from the thesis. The business plan or how to start the consulting company will be outside the scope of this thesis, too.

1.4 Thesis structure

This thesis follows an induction approach to theory development and uses qualitative primary data from case studies conducted through interviews (Saunders, 2019). The structure of this thesis consists of five chapters: Introduction, Wine in Finland and the Value proposition of the wine consultancy company, Methodology, Analysis and Conclusion. The introduction chapter explains the author's background, the idea behind the thesis, and the thesis objective. It also goes through the thesis questions, scope, and structure. The second chapter explains the Finnish wine culture and the evolution of wine-drinking habits. The chapter also explains how restaurants acquire wines in Finland and goes further into the value proposition of the consultancy company regarding this. The last three chapters concentrate on the primary research, analysis of the primary research, and overall conclusions.

2 Wine in Finland and the value proposition of the wine consultancy company

Finns have started to develop a taste for wine, and the number of wine bars and wines on restaurant menus has increased. Some would say Finnish wine-drinking culture is becoming more European, which refers to European wine-drinking countries like France, Italy, and Spain. These countries have integrated wine culture and winemaking into their lifestyles for centuries. Especially in bigger cities like Helsinki, Turku, and Tampere, people are more interested in exploring new wine styles and grape varieties they have yet to taste. The new trend is to drink less but better-quality wines. (Alko, 2023)

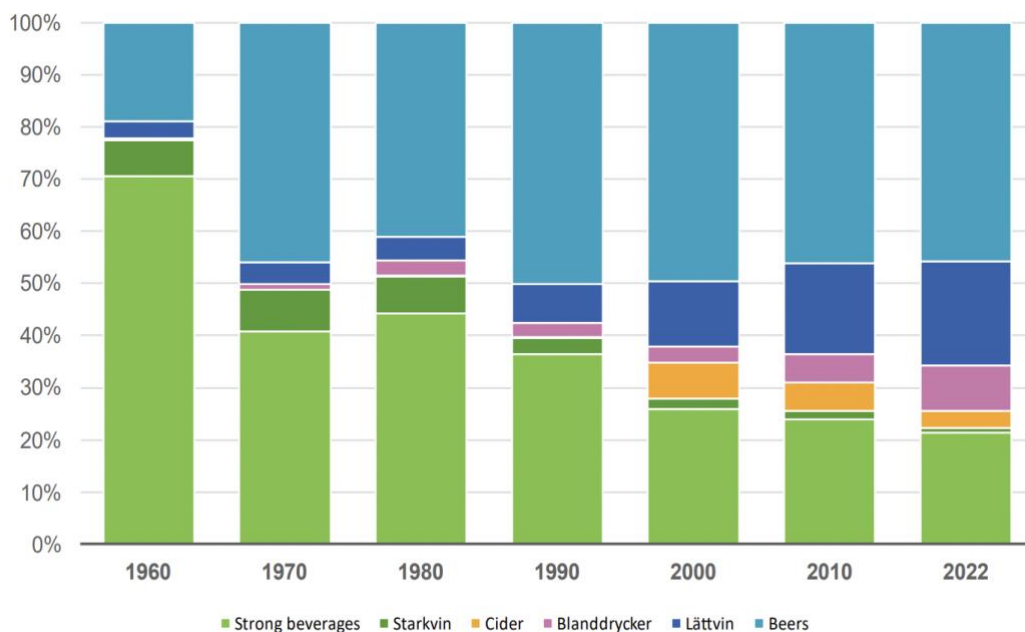


Figure 1. Recorded consumption of alcoholic beverages by type of beverage, 100% alcohol, 1960–2022 Finland. (THL, 2022)

The figure 1 above shows that light green represents strong beverages and spirits, and dark green represents fortified wines. Consumption of both has gone down significantly in Finland. Beers in light blue and cider in orange give space for growing trends for wines in dark blue and mixed drinks in pink.

2.1 Wine drinking in Finland

In the past, Finland has been known for drinking to get drunk- culture. However, from 2008 to 2018, alcohol consumption decreased by 21% (Karlsson, 2018). People tend to drink less and prefer beverages lighter in alcohol and smaller sizes (Alko, 2023). People have been drinking fewer vodkas and spirits and more wine and beer (THL, 2023).

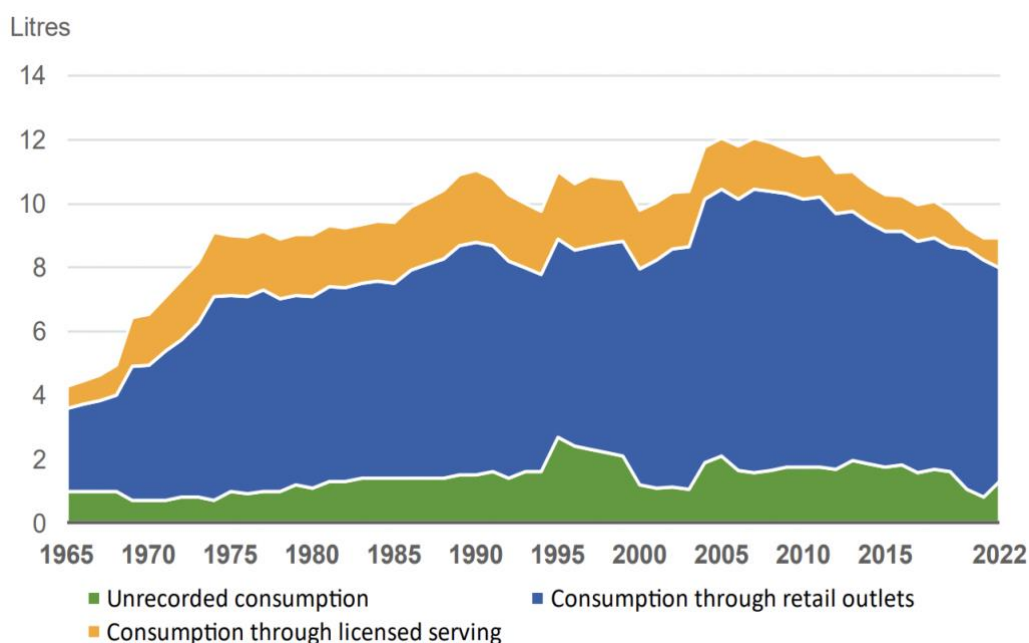


Figure 2. Total consumption of alcoholic beverages: 100% alcohol per capita aged 15 and over, 1965–2022 Finland. (THL, 2022)

As seen in Figure 2 above, the total consumption of alcoholic beverages has steadily decreased in Finland since around 2008. Figure 2 shows a 100% alcohol per capita decrease, which indicates that strong alcohol consumption has gone down. When comparing Figure 1 and Figure 2, it is clear that wine drinking is on the rise while stronger drinks are out of fashion.

Finland is one of the few countries with a monopoly on distributing wines, beers, and spirits. These monopoly stores called Alko are situated all around Finland, and currently, there are 373 stores. Since 1932, when Alko started operating in Finland, its mission has been to limit and control alcohol consumption in Finland

to avoid excess drinking and alcohol-related accidents. Alko takes it very seriously to restrict selling alcohol to minors, and employees are obliged to ask everyone who looks under 30 years old for an identification document. Alko stores operate Monday to Friday from 9.00 to 18.00 or till 21.00, Saturday from 9.00 to 18.00 and on Sundays, Alko stores are closed. In the case that one misses the opening times, there is no other way to buy alcohol over 5,5% abv in Finland. One can enjoy these beverages on the premises of a bar or a restaurant, but restaurants and bars are not allowed to sell anything above 5,5% abv take away. On the premises, alcoholic drinks can be enjoyed until the bars or restaurants close. New legislation in 2018 allows selling beer, cider, and another maximum of 5,5% ABV products takeaway, but only between 9.00 and 21.00 and only if the premises have a retail license, which is costly. (Meininger's International, 2023)

Grocery stores in Finland are allowed to sell non-alcoholic and low-alcoholic wines. Until 2018, grocery stores sold alcoholic beverages with a maximum of 4,7% abv. Since the 2018 legislation, alcoholic beverages up to 5,5% abv were allowed to be sold. No matter the opening times of the grocery stores, all the beverages above 2,8% abv are only sold between 9.00 and 21.00. (Valvira, 2023)

Nevertheless, this new legislation was controversial, and many opposing it argued that overall alcohol consumption would rise. However, alcohol consumption has still been in decline in Finland. Numerous surveys show that even 65% of consumers want to see wines, with a maximum of 15% abv sold in grocery stores (Lintunen, 2023). So far, the government has yet to accept this into legislation. People, especially in Finland's wine industry, feel optimistic that this will happen, which will help Finland have a more open wine culture.

2.2 From a wine importer to restaurants

Most restaurants in Finland acquire wines from licensed wine-importing companies. These licences are granted by the Regional State Administrative

Agency (AVI, 2024). A restaurant can start importing their own wines from other countries and any wine producer they want with a correct license but not sell them takeaway to customers, only to be enjoyed on the premises (AVI, 2024). There are many wine-importing companies in Finland. Around 30 wine wholesalers and importers are in The Association of Finnish Alcoholic Beverage Suppliers (Sirén, 2023), but many more are not. It is not an obligation to be part of the previously mentioned association. Some of these wine-importing companies are large international companies, and some are small-scale operating companies. Some companies specialize in specific products like Let Me Wine, in natural wines, and Mr Nebbiolo, in wines from Piemonte, Italy. The selection of where to choose from is large and can be overwhelming. There is at least one online site for restaurants that works as a wine wholesaler, connecting dozens of importers with restaurants under one site. This site is called Winetto (2023). A few sites also operate as wholesalers of many more products than just wine and alcoholic beverages. These are more significant wholesalers that have everything from food items to cleaning supplies and beverages. The biggest two are Kespro (2023) and Wihuri Metrotukku, which operate all around Finland (Metrotukku, 2023).

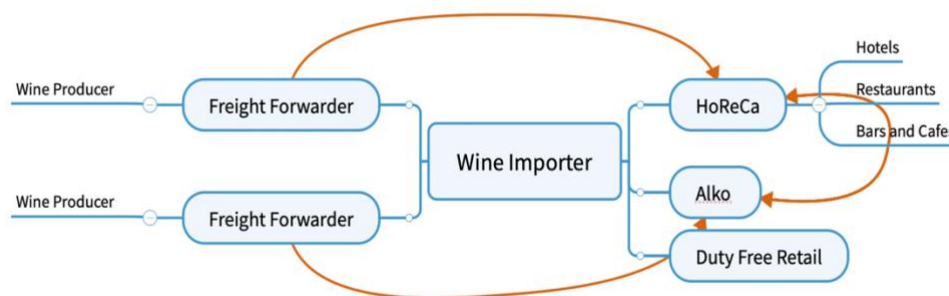


Figure 3. Wine distribution chain in Finland (Kiuru, 2024)

Figure 3 explains how the wine distribution chain works in Finland. Wine is imported from the wine producer through some means of exportation to wine importers or straight to Alko or, for example, to restaurants with an importing license. Wines are sold forward from the importers to Hotel, Restaurant, and Café/ Catering sections. Alko and Duty-Free Retail also buy from wine importers. Alko can buy wines from HoReCa if they have a license for importation and sale. Also, HoReCa can buy straight from Alko. Alko and Duty-Free Retail are the only places an end customer can buy wines from to take home.

A second hypothesis is that because there are many wine importers, restaurants use one or two importers they continue working with because it is easy and suitable. If the working relationship works well, it is inconvenient to change the importer because of the working relationships created over the years. It is standard to use one of the more prominent importers that offer all the products the restaurant needs under one roof, meaning all the spirits, beer, wine, and the rest of the alcoholic and non-alcoholic options like sodas. The problem is that not all restaurants have the best importers with the most suitable products for their customers. The importers update their portfolios constantly by adding new products or discontinuing the others. When working with wines, something as little as the vintage changing from 2019 to 2020 can change the whole profile of the wine (WSET, 2023). If restaurants always use the same importers, they miss the best deals and better-suited wines for their menus.

2.3 Value proposition of the wine consultancy company

The wine consultancy company's value proposition is to offer outsourced sommelier services to update the wine list with better-suited wines, improve sales and gross margins, and make the staff and customers happier.

Instead of paying for a full-time sommelier at a restaurant, the restaurant owners and managers could buy wine consultancy services from the company. The consulting will help them acquire more relevant and exciting wines for the

same price or less, and the wines will match the food menu better. The staff will be more educated about the wines they serve, and customers will be happier. The customers will come back and recommend the place to others; on top of that, the sales of wines will grow, and the gross margins will be better. So, the restaurant will gain more money, and customers will be happier. It is a win-win situation.

However, why use wine experts from this wine consultancy company to fix the wine list? Wine and food combination is an art that takes lots of experience and knowledge to master—staying on top of the wine trends and knowing what customers want to drink and when are essential in making wine lists. The most important skill is to know where to acquire these wines and which wine importers to use to get the best product for the best price. A personalized wine list by the consultancy company will make one's restaurant stand out from the competition and their generic wine lists.

Since the wine consultancy company does not work for wine importers, it is not biased in choosing specific products. When, again, a restaurant works with one or two wine importers, all the wines must come from their portfolios, which is only sometimes the best option for that restaurant's quality or specific requirements.

Arvola (2019, p. 33) and Kakkola (2014, pp.34-39) found out in their survey that when choosing what to order from the wine list, customers pay attention to price, familiar wine styles and grape varieties but mostly pay attention to the staff's suggestions. Educating the staff on the wines they sell makes the whole experience more pleasant for the customers and the staff (Orlowski, 2021, p. 271). Staff education is one part of the wine consulting services. Another wine consulting service that this company could offer is to make it possible for restaurants to hire a sommelier for specific events or to hold wine tastings for customers.

As mentioned in the introduction chapter, the author has an internationally recognized Diploma in Wines degree, more than 15 years of experience in the

hospitality sector, and a bachelor's degree in international business that is almost done. Mr Paakkola has two wine bars with the most wines by the glass offered in Finland and has been awarded for his wine lists even internationally. What sets the author and Mr Paakkola apart is the knowledge of the portfolios of the most wine importers in Finland, even the smallest ones. So, the future wine consultancy company of the author and Mr Paakkola stands out with a clear value proposition, expert knowledge, international recognition, and competitive advantage.

2.4 The competitors

These companies and wine professionals are potential competitors offering similar consulting services to build wine lists. They are Wihuri Wine Academy, Tomi Naarvala from Wine Server, and Sonja Ivanoff from Viinitar (Wine Academy, 2023; Tomi Naarvala, 2023; Viinitar, 2023). There are more individuals or companies that offer just wine tastings or wine education.

Wihuri Wine Academy (2023) consults with wine list-making and staff education on the wines. The blog posts about making the wine lists seem relevant and on point. The site is also professional-looking. Wihuri Wine Academy is part of Wihuri Metrotukku wholesalers, which means they are obligated to use only the products of this one wholesaler. They have around 100 wines in their portfolio, most of which seem generic and commercial. The future consultancy company will have tens of times the options for where to choose the wines from and offer restaurants and their clients wines that will make them stand out from the competition and be unique.

Viinitar's (2023) site and blog by Sonja Ivanoff offer the same services as the future wine consultancy company of the author and Mr Paakkola. It offers wine education, wine list design, wine tastings, and other sommelier services. Her website is more personal than Wihuri Wine Academy, which makes it more approachable. The author and Viinitar have the same amount of experience in the hospitality sector, which is over 15 years. However, it is still being

determined what Viinitar's knowledge is on the portfolios of the wine importers of Finland. Viinitar's wine master's degree is less appreciated than the author's wine diploma, even though Viinitar's experience in consulting services can be an asset. Regular people might not know the difference between a wine master's degree and the author's wine diploma.

Wineserver (2023) and Tominaarvala (2023) websites that are both by Tomi Naarvala are the biggest competition to the author's and Mr Paakkola's company. Mr Naarvala offers the same services and has internationally appraised degrees, such as a diploma in wines from WSET and some others. Mr Naarvala has extensive experience in the wine industry and lots of connections. The websites could be better made, but they seem outdated, which is not appealing. It is also unclear how well Mr Naarvala is up to date on all the current offerings and portfolios of the wine importers.

Competition exists but the market is not saturated. Good opportunity for successful business if the consultancy company can differentiate itself well and offer superior customer service. In a small wine industry like Finland, having good connections and keeping them up is crucial.

3 Methodology

The research philosophy used in this thesis is pragmatism. Pragmatism concentrates on solving the thesis' objective and research questions. Since research on this topic is new and there is not much existing literature about it in Finland, it is more appropriate to use an induction approach to theory development by generating qualitative primary data from case studies. These case studies were conducted through interviews. After generating and analysing data, it will be reflected upon to see what mutual themes are coming up. (Saunders, 2019)

A methodological choice that suits this research best is mono-method qualitative. In qualitative research, the author needs to operate in a natural setting, establish the interviewees' trust, and have an in-depth understanding of the study. In qualitative research, words are more important than numbers. Since the research questions and most interview questions begin with 'why' or 'how', this research is also explanatory. Explanatory means emphasising exploring the problem and the relationship between different variables. (Saunders, 2019)

Since the studies are about different restaurants and their managers or owners, the research strategy is a case study. A case study looks into a specific subject or phenomenon. The best way to find the answers in this research is to do cross-sectional interviews with the people in the industry at this specific time to find out if the future company will have customers. The longitudinal time horizon would have needed more time to complete. (Saunders, 2019)

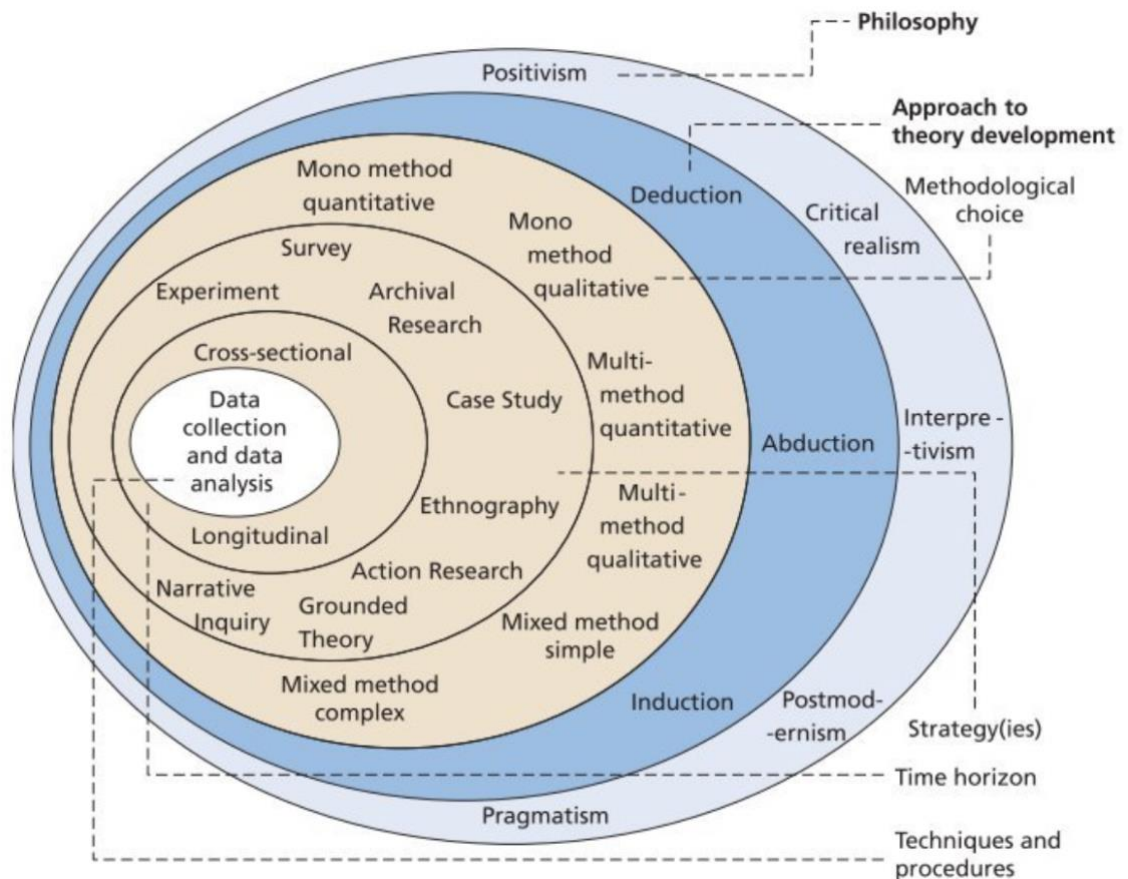


Figure 4. 'The research onion' (Saunders, 2018)

3.1 Data collection

At the start of the research, the author googled restaurants and their sales from the previous year. Sales of half a million euros to two million euros were the limit. The reason for choosing restaurants with at least half a million in sales is to have restaurants that already have good enough sales to expand the thinking from survival to making more money with the wine sales. Reasons for choosing restaurants with less than two million sales were to find restaurants without a sommelier and avoid restaurant chains because they often already have someone in charge of their wine lists. The list of possible restaurants in Helsinki, Tampere, Turku and Lapland came together. Visiting their websites indicated if they had wines on their menu. The next step was to contact them by calling and finding out if a sommelier was working in the restaurant and then ask who was

responsible for choosing the wines. When the author was finally referred to the right person, she asked about possibly interviewing them face-to-face for around 30 minutes.

Since the hypothesis is sensitive and complex to prove, the author took great care to approach this issue ethically. The interview questions were designed not to offend anyone or their professional ability. It is not easy to admit that one's knowledge of something at work is limited or that one's employees lack some critical knowledge, like wine knowledge. That is why the author initially felt that keeping the interviews anonymous would result in more honest answers.

3.2 The interviews

The interviews were semi-structured, with a primary set of questions that were asked of everyone. The questions were primarily open-ended to get as much information as possible. After every single interview, minor changes were made to fine-tune the interview, taking into account new information that was learned. During the interviews, the author had to deviate from the set of questions if the interviewee happened already to answer the question while answering another question. Three out of four interviews were conducted face-to-face at the restaurant's location, and the fourth was via video call on WhatsApp. It was essential to have the interview in person since it assured the participants that they could ask any questions. It built trust and was more personal. Another reason why face-to-face interviews were important was to have possible leads for the consultancy company. As it happened, three out of four restaurants interviewed were interested in receiving an offer and wanted to hear more. All of the interviews were audio-recorded with the permission of the interviewees. This was to compare and help analyze the answers later.

The first interview took over one hour, twice the length the author had anticipated. It became clear that it was good to mention at the start of the interview that the respondent should only answer the specific question shortly since there were around 45 questions in total. It was also important to read the

situation and the respondent by observing. In a couple of cases, the author decided to skip two questions to avoid making the interviewee uncomfortable. These questions: 'Have you familiarized yourself with wine and food pairing combinations and rules?' 'If yes, could you explain how you pair the wine and food? If not, would you be interested to find out more?'. The reason for this was not to make it sound like it was some test of their wine and food combination abilities. Appendix 1 has the interview with all the questions and parts that the author read between them. One of these parts was: 'Looking at the data from ALKO and THL, from 2008 to 2018, alcohol consumption in Finland decreased by 21%(THL, 2023). People tend to drink less and prefer beverages lighter in alcohol and smaller sizes. People have been drinking fewer vodkas and spirits and more wine and RTD drinks.'. By adding these parts to the interview, the author felt it would give her more credibility that she researched this and knows what she is talking about.

3.3 Analysis of the data

All of the interviews were conducted in Finnish. After the data was collected from one interview, the author summarised it, grouped it into themes and analysed it. The second interview was altered to fit the new insights from the previous one. After each interview, this was repeated. It was essential to have enough space and time between the interviews to allow this process. The author translated the interview themes and analysis into English in chapter four. The last interview version translated into English can be found in Appendix 1.

The author went through all the recordings carefully twice and only transcribed the sections of each recording that were most important for the research. This is called data sampling (Saunders, 2019). Then, the transcribed sections were coded manually into themes by the author. The themes were compared to the themes of the interviews and analysed.

4 Analysis

Since the interviews were anonymous, the restaurants will be referred to as Restaurant A, Restaurant B, Restaurant C, and Restaurant D. The only information that can be disclosed are the interviewees' cities and professions. Restaurant A is from Turku, and the person responsible for the wine selection there is the restaurant manager, who also works as a chef. The owners also have a say in the wine selection. Restaurant B from Tampere had a team of four permanent workers making the wine selection decisions. The group consisted of the owner, the restaurant manager, and others. In Restaurant C, located in Helsinki, the restaurant manager chose the wines on the wine list. The owner is responsible for the wine choices in Restaurant D in Levi, Lapland. For the interviews to be analysed sufficiently, the interview questions were themed into different sections. These sections were background information about the interviewee and the selection of wines, wine importers, wine knowledge of the servers, and evaluation of the need for and interest in the wine consultancy company.

4.1 Background information about the interviewee and selection of wines

All of the people interviewed had long experience in the restaurant industry. Half of them had a hospitality degree, and half ended up in the industry by chance and learned through working and experience. Only the ones with the hospitality education degree had any sort of wine education. This education was part of the studies and included the basics of wine. All the others learned about wines at work.

When asked why certain wines were chosen on the list, the food menu was the most important thing that mattered. Only Restaurant A thought that the food menu did not affect the selection of wines. The most important fact for Restaurant A was which wines people wanted to drink and to find the correct wine for the customer by recommending it. No respondent had studied the food

and wine combination rules but said it came naturally by tasting and trying different foods with different wines. Everyone, including Restaurant A, was interested in learning more about the wine and food combinations. Restaurant B preferred wines from small importers and producers that were sustainable and as clean as possible. By clean, it means that the wines are either organic, biodynamic or natural wines. Natural wines are made with minimum intervention in the natural wine-making process. They are often made disregarding any modern wine making technologies.

When asked what sort of wines they sell most and what people want to drink, half of the respondents felt that the wines recommended by the servers to match the food menu or otherwise had the most influence on what customers drank. The other half felt that the white wine variety Riesling dominated customer preferences. Again, restaurant customers were more flexible in the red wine section, but price was also an essential factor to consider.

4.2 Wine importers

During the questions about wine importers, a couple of themes came up. First of all, it was essential to everyone that the wine importers were reliable, easy to be in contact with and made the job of the restaurant managers as easy as possible. Sometimes, this meant they would bring wine samples or send some to the restaurant to try. A big part of the wines chosen for the restaurants relied greatly on the wine importers, who suggested the wines or chose them after the restaurant sent in the food menus to them. Only a few wine importers were used, and the bond and relationships with them were personal. So, the hypothesis that restaurants use one or two wine importers for convenience is correct.

On the other hand, only a few of the restaurants used wholesalers but primarily for other alcoholic beverages rather than for wines. Most of the wines came from wine-importing companies in the restaurants interviewed. None of these four restaurants ordered wines from a big wholesaler as a side product next to

all the other alcoholic products, which was a positive find. It was a positive find because if the restaurants used the wholesalers for all their products, wine would not be a priority for them. Most certainly, the wines from the wholesalers' portfolios would be less interesting and unique.

Only Restaurant C had used the same importer from the beginning. The rest of the restaurants have changed some of the importers at some point but find it easier to stick with the same ones as long as the working relationship works fine. Restaurant C also mentioned asking for a couple of offers from other wine importers but that they needed to be more active to make it worth their time to start ordering from them. The reasons for choosing the importers are the price and quality ratio, the sustainability and pureness (restaurant B), personal relationships and contacts, and how actively the wine importers try to sell their wines to them. Only half of the respondents attended portfolio tastings by the wine importers sometimes. The other half needed more time or were not that interested. So, for some of the restaurants, it was most important that the wine importers were reliable and active, almost as important as the wine selection itself.

When asked what the process consists of when restaurants acquire wines from start to finish, there were many different answers. Some had a straightforward and close relationship with the wine importer, which meant only a phone call was enough to order the wine they wanted. Others sent in the new food menu and made an appointment with the wine importer to sample different wines. In some cases, if the wine tasted good, even a dish was made afterwards to match the wine (Restaurant B). In some restaurants, the wine importers mainly decide on the wines because of a lack of interest or knowledge of the wines on the restaurant side.

4.3 Wine knowledge of the servers

Only Restaurant B was more or less confident in their servers' knowledge of wine. All the rest felt like it was not sufficient. It seemed to depend a lot on the

part-time staff. Sometimes, they were more knowledgeable and interested in wines, sometimes less. Seasonal and part-time workers are often younger and less experienced in the restaurant business. Understandably, many are transient workers who only do that job briefly. All the restaurants had some staff briefing about the wines and the menu at the start of the season or during changing the food and wine menus. Half of the restaurants had a tasting of the menus together with the briefings. Some places kept fact sheets of the wines for everyone to read.

Another theme that arose in this section of the interview was how important stories about the wines are. People were more interested in hearing stories than plain facts about the wines. The stories can be anything from how the wines were made or grown to anything else regarding the wines.

All agreed that it is vital that the servers know how to recommend wines to the customers. That is probably also why staff education consulting services were most appealing to restaurants interviewed. It is easier to tell stories about the wines to the customers when there is some knowledge of them.

4.4 Evaluation of the need for and interest in the wine consultancy company

Most respondents felt that Finnish customers drink more wine with food than before and disclosed that most or at least half of the beverages sold in the restaurant come from wine sales. Despite that, none had plans or strategies for increasing wine sales or making better sales margins. The answers could have been more conclusive when asked if they saw an added value in a wine professional making a wine list that suits the food menu better. Some of them felt that they already had the best-suited wines for the food menu and could not get better wines for better prices; then again, Restaurant D was interested in this part of the consulting service to get better wine sales margins. None of them considered a sommelier full-time, but the thought of outsourced sommelier services generally sounded good in everyone's opinion.

In the restaurants where the author talked with the owner instead of only the restaurant manager, they were more likely interested in the wine consulting services and found more value in them. They understood the possibility of gaining money on the wine sales margins and how important it is to have servers who know how to sell the wines to the customers.

Two out of four restaurants were interested in having an offer about staff training. The consulting services that the restaurants interviewed were most interested in were staff wine education. One restaurant also mentioned the interest in wine tastings for the customers. So, only one restaurant was not interested in any consultancy service (Restaurant A) even though the restaurant manager found the consultancy company's value proposition very exact. When asked about a price the restaurants could estimate for consulting services, only one restaurant could give a rough estimate for an education session, which was 500 euros. However, the working hours needed to be specified.

4.5 Limitations and suggestions

Even though the interview questions were designed to be as polite as possible, it is possible that, to a certain degree, the people interviewed were not entirely truthful about their understanding of wines and their wine knowledge. Either because it is not something one wants to disclose to someone else since it is an integral part of their work or simply because they think it is sufficient, which in reality could not be enough.

In light of this research, a quantitative survey could be compiled with closed-end questions to get a bigger picture of this phenomenon in entire Finland. With this type of survey, many more people could be reached. It is clear, though, that the research concluded that the phenomenon that the author and their friends experienced was correct. Even more so, since one of the restaurants interviewed (Restaurant B) had a better than average knowledge of wine. It came to the author's attention that they were opening a wine bar. Despite this, the author decided to interview them in the hope of different points of view. It

turned out to be fruitful since even with their wine knowledge, they felt they could use some more and were interested in the wine education session.

Every city in Finland has a different wine culture, and the cities and areas where the restaurants are located in this interview are not representative of the whole country. On the contrary, these areas have the most wine culture and restaurants in Finland. All this is good news for the wine consulting company since if there is already interest and leads in these areas, there could be many more customers outside these places.

5 Conclusion

The objective of the thesis was to conduct market research in food restaurants in Finland that serve wine to find out if there is a need and an interest in the future wine consultancy company of the author and her friend, Mr Paakkola. After doing the primary research through the interviews, the author concluded that there is a market for their wine consultancy company. People in the hospitality sector have noticed that wines are more present in the lives of Finns in recent years. All restaurants are different, and the amount of wine knowledge the person in charge has varies by individual. The managers and the owners play a big part in how much resources and time they want to allocate to servers to educate them about wines and how to sell them confidently. Everyone agreed that there is not enough knowledge of wine at their workplace, and people could use some more of it. So, the hypothesis was correct: most restaurant managers, owners and servers are not confident in their wine knowledge and see the added value the wine consultancy company could bring to their restaurant.

In the period when this thesis was written, economic insecurity was high. This insecurity affects the customers' buying decisions, and people tend to turn to cheaper items on the menu, like cheaper wines on the wine list. Fewer and fewer people are visiting restaurants, and every sixth restaurant is in danger of bankruptcy (Yle, 2024). Also, this affects the interest to buy extra consulting services. It is the job of the author and Mr Paakkola to market themselves and the consultancy company well so the potential customers would understand that it would make them more money and bring more customers if they used their consulting services.

After getting more profound insight into this research, only a few themes came up that the author did not think were so substantial. One was how much restaurants relied on the wine importers to help them with their wine lists. This theme yielded another business idea: not only could restaurants be the customers of the wine consultancy company, but wine importers could also buy

wine consulting services from the future wine consultancy company of the author. These services could include building a wine list suitable for the restaurant from the wine importer's portfolio that hires them. The second theme was how much restaurant customers valued the stories behind the wines, which the staff wine education part of the consulting services should take into account.

To answer the second research question, restaurant managers and owners value a relevant wine list made by a wine professional. This can be seen by how much trust is given in the hands of the wine importers. The respondents felt the wine professionals had already made their wine lists, meaning the wine importers. It will be essential to convince the restaurant owners and managers that the author and Mr Paakkola have more expertise and knowledge than the wine importers they have been working with. The question is, how educated and experienced are the wine importers or how much time do they spend making the best suitable wine and food pairings for the restaurants? They can be biased to sell more wines that are cheaper to buy but with higher profit margins. The wine list and food matching are just extra work for them; they do not necessarily have the needed expertise. However, as mentioned above, wine-importing companies could also hire the wine consulting company of the author to ease their work burden and help with wine list building for restaurants.

The author had separate sections in the interviews that introduced her and her business partner, explained the wine experience, highly regarded wine education and the wine list awards they have received. Also, a section that introduced the wine consultancy company's business idea and value proposition. Nevertheless, since anyone can say nice and flattering things about themselves, the interviewees did not personally know the author. It is more accessible to gain trust and reliability with proof or something they can trust, like a LinkedIn page, CV, website or even business card. Despite all this, the author sparked interest in the wine consultancy company and its services. Everyone interviewed felt there should be many customers for this company in light of this situation in Finland. After the company is registered and running, everything

should go more smoothly. This research gave the author confidence in their company and its potential.

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Appendix 1. Interview in English

Interview

Hi, I am Anna Kiuru, and this interview is to do market research for my thesis. The thesis is part of my International Business Bachelor studies at Turku University of Applied Sciences. My thesis examines the purchase and sale of wines in restaurants in Finland. Based on these interviews, the aim is to map out the need for outsourced sommelier services to establish a wine consulting company. I am interviewing four restaurants in different parts of Finland that offer wine with food but have not hired a sommelier.

I have been in the restaurant industry for over 15 years and have worked with wines for a long time. I work as a Wine Director and Sommelier in two companies and wine bars. These are Viinisti Oy, behind the Vinho wine bar in Turku, and Viinimö Oy, which has the Vinni wine bar in Tampere.

All interviewees remain anonymous in my thesis, although I ask everyone to introduce themselves at the beginning of the interview. You can skip a question if you do not want to answer one. I will record the interview to analyze the answers later. After the analysis, I will delete the recordings; no one but me will hear them. The interview lasts about 30 to 45 minutes.

Do you have any questions about the interview?

Explanations of a few terms used in the interview.

Sommelier = Wine Expert

WSET = Wine and Spirit Education Trust (Internationally respected Wine Educator)

Background information about the interviewee and the selection of wines

Can you briefly introduce yourself and your work responsibilities in your restaurant?

What kind of education do you have?

Are you responsible for ordering and choosing wines in your restaurant?

How long have you been responsible for ordering wines?

Where have you learned about wines?

Have you taken any wine courses like WSET or similar?

How do you keep yourself up to date with wine trends?

Where do you start when thinking about wines for your list?

What are the factors influencing your wine choices?

Do you use other people's help in choosing wines? Whose?

Have you familiarized yourself with wine and food pairing combinations and rules?

If yes, could you explain how you do the wine and food pairing? If not, would you be interested to find out more?

Which wines are sold the most in your restaurant?

What kind of wines do your customers prefer to drink?

Questions about wine importers

Could you explain how the wine selection process progresses from an idea or a need to having the wine in your stock and on your list?

Which importers do you use? Or do you use a wholesaler? Which ones?

How do you select the wine importers or wholesalers you work with?

Was wine the main reason for choosing the importer, or perhaps another importer's product was more important?

How do you work with the importers? Do they sometimes recommend wines to you?

Do you currently have ongoing contracts with importers?

Can you tell me how long the contract is for and what are they consisting of?

How long have you been using the same importer or wholesaler?

Is it important to you to use one importer/many importers when ordering wines? And why?

Questions about the server's wine knowledge

Did you know that based on a few types of research, for example, one by M. Orłowski in 2021, customers look at prices and familiar brands or grapes in wine lists but mostly accept recommendations from servers?

In light of this information, how important do you think it is for the servers to make suitable wine recommendations to the customers?

What do you think about your employees' knowledge of wine?

So, would you say that your employees know the basics of wines?

Would you say your employees are confident in recommending relevant wine to customers?

Can you tell me how many servers you currently have working for you?

What kind of training do you have for employees about wines?

In what area do you think your employees need the most wine training?

Do you feel like a lot of workers in hospitality are transient? If yes, does that complicate staff education or make it feel like wasting resources?

In this last part, the questions will be about the interest in potential wine consultancy and outsourced sommelier services. I will briefly tell you about myself and the background of the company's establishment before we move on.

I have an internationally recognized Diploma in Wines degree and more than 15 years of experience in the hospitality sector. Pietari Paakkola has two wine bars with the most wines by the glass offered in Finland and awards for his wine lists even internationally. What sets me and Paakkola apart is the knowledge of the portfolios of the most wine importers in Finland, even the smallest ones. Paakkola and I are starting a wine consultancy company together, and we are testing this idea. We want to find out what people in your position think of this. It is important for us to hear some feedback and understand if there is an interest in our services.

The value proposition of the wine consulting company is to offer outsourced sommelier services to update the wine list with better-suited wines, improve sales and gross margins, and make the staff and customers happier by providing staff education and tastings.

Questions related to evaluating the need and interest of a wine consulting company.

Looking at the data from ALKO and THL, from 2008 to 2019, alcohol consumption in Finland decreased by 29%. People tend to drink less and prefer beverages lighter in alcohol and smaller sizes. People have been drinking fewer vodkas and spirits and more wine and RTD drinks.

Do you think the tastes of Finnish customers are becoming more European and that they drink more wine with food than before?

Has there been a noticeable increase in the demand and sales of wines in recent years?

How much is your wine sales compared to other alcoholic products?

Would you say that increasing wine sales is an important business aspect of your restaurant?

What kind of plans do you have for increasing your wine sales?

Do you think your customers would be interested in a wine list with wine paired with food by a wine expert?

Do you see the added value a wine professional could bring to your wine sales and food and wine pairing?

Have you ever considered a sommelier for your restaurant?

Have you ever heard the term outsourced sommelier?

What if an outsourced sommelier made you an offer to improve the gross margins of your wine sales? Would you be interested in hearing more?

Would you be willing to outsource wine list building or employee wine training to an outsourced sommelier?

If you answered yes, which option seems more attractive, or are both equally attractive?

What would you be willing to pay for these services?

What other services can you think of that you might be interested in regarding wine consulting and outsourced sommelier services?

Do you have any questions or suggestions for me about this interview?

Thank you very much for the interview and your time! If interested, I can send an offer of our consulting services to your email. I can also send you my thesis to read after publication.